

To: Labor Management Advisory Council
Montana Department of Labor and Industry

Overhaul of the Montana Workers Compensation System

It has come to my attention last week that a proposal is underway to decrease workers compensation reimbursement payments. Before making your decision realize that the cost of practicing medicine is continuing to rise at an alarming rate. Employee costs continue to increase with hourly wages, health insurance and retirement benefits. The reimbursements continue to decrease as my cost of doing business increases.

Workers compensation is also unlike any other insurer, requiring additional office staff and considerable effort to keep the plethora of paper work in check. I currently have an employee devoted 1/2 time to workers comp issues. She easily could be moved into a full time position just to keep work compensations issues such as: pre-auth's, work condition status reports, attending physician statements, MMI status reports, IME reports and communication open between the nurse case manager.

EMR system expenses seem to be outpacing productivity, efficiency and computer lifespan. I have yet to see the cost savings by converting to an EMR system and I find the loss in productivity frustrating. The cost saving by integrating to an EMR are still years away for many physicians making, additional cuts in reimbursement all the more frustrating.

Medicare is posed after the fall election cycle to decrease reimbursement for medical care, further adding to the loss of income to many medical providers. With additional cuts in medicare, will other insurers decrease reimbursements as well? I understand the complexity of your challenges in attempting to decrease the costs to the businesses of Montana. However your actions may limit access to care and increase the utilization of emergency room service, hospital networks and urgent care system that in the end, will increase your expenses with facility fees and emergent service fees.

My question to this meeting, is whether the physicians of Montana can withstand the significant cuts proposed, in addition to the other pending cuts. Although the physicians of California did in the end continue to see work related injuries, California has an over abundance of physicians with considerable competition for coverage of these patients.

Montana is considerably different with many primary care shortages, limited accessibility and lack of timely referrals for specialized care. Look around Montana before making this decision. Determine if the health of the physician networks can withstand future cuts in fees without effecting services. Even a 10% drop in access to care might be substantial in Montana. The California model was made at a different time and place, with less overall stress to the system. Will your decision help the injured worker find the quality of care they need? Will your decision today improve the outcome of these injured workers or lessen their outcome?

The cost savings in workers compensation comes first from preventing the injury. Then, finding quality care that is both timely and evidenced based. And the final barrier to cost saving is working with the employers to develop progression to work programs instead of just leaving the employee at home because they just can't or won't find the injured worker "light duty".

In addition, the cost of spine care in Montana has grown 600 - 800% in the last decade without improvement in patient outcomes. Montana has the dubious honor of being ranked amongst the highest rates of Spine Fusion in the nation. We have recently adopted a Utilization and Treatment Guideline for worker injuries modeled after the "Colorado Guideline". This committee, that I helped serve on, did in the end pick the least restrictive guideline for spine care. I did reluctantly vote for this guideline, only as it became clear that it would pass with only my dissenting vote. Only now does it become clear that our committee needed to look at the cost savings to the worker compensation system before we made our final decision.

Finally, before receiving an e-mail on this subject, I was recruiting an additional physician to help my practice see the many injured workers waiting for care. If this cut in reimbursement is to pass, that would in effect end my recruitment of another provider. I understand the need to find cost saving as our national economy is hurting many Montana businesses. Let's find cost effective solutions that don't decrease patient accessibility and quality of service.

Thank you for the opportunity to let my thoughts be known.

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